United Nations S/AC.49/2018/74

Security Council

Distr.: General
18 April 2018

Original: English

Security Council Committee established pursuant to resolution 1718 (2006)

Note verbale dated 16 April 2018 from the Permanent Mission of Finland to the United Nations addressed to the Chair of the Committee

The Permanent Mission of Finland to the United Nations presents its compliments to the Chair of the Security Council Committee established pursuant to resolution 1718 (2006) and has the honour to transmit herewith, with reference to paragraph 17 of resolution 2397 (2017), the report of Finland on the measures taken to implement effectively resolution 2397 (2017) (see annex).

18-06285 (E) 110518

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Annex to the note verbale dated 16 April 2018 from the Permanent Mission of Finland to the United Nations addressed to the Chair of the Committee

Report of Finland on the implementation of Security Council resolution 2397 (2017)

Finland has taken the steps below to implement effectively Security Council resolution 2397 (2017).

Measures adopted by the European Union pursuant to resolution 2397 (2017)

The restrictive measures adopted by the European Union against the Democratic People's Republic of Korea are based on Council Decision (CFSP) 2016/849 and Council Regulation (EU) 2017/1509 as amended.

Finland and the other States members of the European Union have jointly implemented the sanctions against the Democratic People's Republic of Korea imposed by the Security Council in its resolution 2397 (2017) by taking the following common measures:[1]

(a) Council Implementing Decision (CFSP) 2018/16 of 8 January 2018 and Council Implementing Regulation (EU) 2018/12 of 8 January 2018, implementing the designation of additional persons and one entity (travel ban and asset freeze);

(b) Council Decision (CFSP) 2018/293 of 26 February 2018 provides the basis for the implementation of other measures included in resolution 2397 (2017), notably:

(i) The European Union had already imposed a full prohibition on the direct or indirect export of crude oil to the Democratic People's Republic of Korea by virtue of Council Decision (CFSP) 2017/1860 of 16 October 2017, with the possibility of derogation for exports for humanitarian purposes if approved in advance by the Committee. In Council Decision (CFSP) 2018/293 it is further specified that the prohibition applies to the supply of all crude oil, whether or not originating in the territories of the member States, including by means of pipelines, rail lines or vehicles;

(ii) The European Union had already imposed a full prohibition on the direct or indirect export of all refined petroleum products to the Democratic People's Republic of Korea by virtue of Council Decision (CFSP) 2017/1860 of 16 October 2017, with the possibility of derogation for exports for humanitarian purposes in line with requirements set out in paragraph 14 of resolution 2375 (2017). In Council Decision (CFSP) 2018/293 it is further specified that the total amount of authorized exports must not exceed the aggregate annual limit of 500,000 barrels and must be in line with other conditions set out in paragraph 5 of resolution 2397 (2017);

(iii) Prohibition on the acquisition of fishing rights from the Democratic People's Republic of Korea;

(iv) Prohibition on importing food and agricultural products, machinery, electrical equipment, wood, vessels and earth and stone (including magnesite and magnesia);

(v) Prohibition on the export of all industrial machinery, transportation vehicles, iron, steel and other metals, a member State may authorize export of

[1] All common measures are published in the *Official Journal of the European Union*.

spare parts if needed to maintain the safe operation of commercial civilian passenger aircraft of the Democratic People's Republic of Korea;

(vi) The prohibition on the export of vessels was already introduced in the European Union by virtue of Council Decision (CFSP) 2017/345 of 27 February 2017;

(vii) Obligation of member States to repatriate to the Democratic People's Republic of Korea immediately, and no later than 21 December 2019, all nationals of that country who are earning income in the jurisdiction of a member State and all government safety oversight attachés of the Democratic People's Republic of Korea monitoring its workers abroad, unless repatriation is prohibited, subject to applicable national and international law;

(viii) Obligation of member States to seize, inspect and impound any vessel in their ports and the power to seize, inspect and impound any vessel subject to their jurisdiction in their territorial waters if there are reasonable grounds to believe that the vessel has been involved in prohibited activities;

(ix) Obligation of member States to cooperate as promptly as possible with another State on requests for additional maritime and shipping information if there is information that leads it to suspect that the Democratic People's Republic of Korea is attempting to export or procure illicit cargo;

(x) Prohibition on providing insurance or reinsurance services to vessels identified as being involved in prohibited activities;

(xi) Prohibition on providing classification services to vessels identified as being involved in prohibited activities;

(xii) Obligation of member States to deregister any vessel if there are reasonable grounds to believe that the vessel has been involved in prohibited activities and the obligation to deny registration of any such vessel that has been deregistered by another State;

(xiii) Obligation to seize and dispose of items the export of which is prohibited pursuant to resolution 2397 (2017);

(xiv) Prohibition on satisfying any claim in connection with any contract or transaction the performance of which has been affected by the measures provided for in resolution 2397 (2017);

(c) Council Regulation (EU) 2018/285 of 26 February 2018 provides for the implementation of the above measures, falling within the scope of the Treaty on the Functioning of the European Union.

National implementing measures

The above-mentioned European Union Council Regulations are binding in their entirety and directly applicable in all States members of the European Union. Regulation (EU) 2017/1509 concerning restrictive measures against the Democratic People's Republic of Korea, requires member States to determine the penalties applicable to infringements of its provisions.

At the national level, sanctions are enforced by virtue of the Act on the Enforcement of Certain Obligations of Finland as a Member of the United Nations and of the European Union (Sanctions Act, No. 659/1967). The Sanctions Act, together with the Criminal Code (No. 39/1889), provides the penalties and forfeitures to be imposed for violations of European Union Council Regulations.

According to chapter 46, section 1 (9), of the Criminal Code, a person who violates or attempts to violate a regulatory provision contained or issued on the basis of a European Union Council Regulation on restrictive measures shall be sentenced for a regulation offence to a fine or to imprisonment for at most two years. Pursuant to chapter 46, sections 2 and 3, of the Criminal Code, the penalty for an aggravated regulation offence is at least four months and at most four years of imprisonment; when the regulation offence is deemed petty, the offender shall be sentenced for a petty regulation offence to a fine.

The arms embargoes imposed in Security Council resolutions and European Union Council Decisions are implemented at the national level by virtue of the Act on the Export of Defence Materiel (No. 282/2012). This legislation applies to all goods included in the Common Military List of the European Union. The export of arms and related materiel and the provision of brokering services and other services related to military activities are subject to specific authorization. Authorization will not be granted for the export of defence materiel to any country that is subject to an arms embargo, unless grounds for exemption exist for the type of export in question, as provided for in a Security Council resolution or a European Union Council Decision.

According to chapter 46, section 11, of the Criminal Code, violation or attempted violation of the authorization scheme referred to in the Act on the Export of Defence Materiel is punishable as a defence supplies export offence. The offender shall be fined or imprisoned for a maximum period of four years.

The export, transit and brokering of dual-use goods, software and technology require a licence from the Ministry of Foreign Affairs as provided for in the Act on the Control of Exports of Dual-Use Goods (Act No. 562/1996) in line with the European Union export control regime governed by Council Regulation (EC) No. 428/2009, as amended. Authorization can be denied inter alia, on the grounds of international obligations that are binding on Finland. Violations or attempted violations of a regulatory provision contained in the Act are punishable as a regulation offence, as provided for in chapter 46, sections 1–3, of the Criminal Code.

The Aliens Act (No. 301/2004) regulates the requirements concerning admission into Finland and visa issuance. The Aliens Act, together with Council Decision (CFSP) 2016/849 and Regulation (EC) No. 539/2001 of 15 March 2001, as amended, provides the basis for the refusal of admission and the denial of visa applications concerning the persons subject to the travel ban.

Responsibility for the enforcement of European Union restrictive measures is divided among the relevant national authorities. For example, the freezing of funds of a natural or legal person designated in a Council Regulation is executed by the Enforcement Authority at the request of the Ministry of Foreign Affairs. Other competent authorities include the National Bureau of Investigation, the Finnish Border Guard and Finnish Customs.